

February 1, 2018

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Mr. John Filippelli
Director
Clean Air and Sustainability Division
EPA Region 2
290 Broadway
New York, New York 10007

14 FEB 2018 RCVD

Re: Limetree Bay Terminals, LLC – Permitting Questions

Dear Mr. Filippelli:

Limetree Bay Terminals, LLC (“LBT”) is preparing to restart certain idled refinery units at its facility in St. Croix, U.S. Virgin Islands to produce refined petroleum products including fuel meeting the new standards for marine fuel under the MARPOL standards by January 1, 2020 (“MARPOL project”), and seeks your concurrence on several permitting issues related to the project. First, LBT seeks your concurrence that the idled refinery units that will be restarted as part of the MARPOL project will not be treated as new units under EPA’s “reactivation policy.” Second, LBT seeks your concurrence that the MARPOL project and a separate project to produce renewable diesel are not technically or economically dependent on each other and would not be aggregated (i.e., considered to be a single project) for purposes of Prevention of Significant Deterioration (“PSD”) preconstruction permitting. Third, LBT seeks your concurrence that the addition of a deeper water loading configuration (single point mooring or “SPM”) to the facility’s existing marine loading/unloading system is a modification to the existing marine loading/unloading system and not a new emissions unit for purposes of PSD preconstruction permitting. A detailed discussion of each issue follows.

I. The Stationary Source and the Idled Refinery Units Were Not Permanently Shutdown

LBT seeks EPA’s concurrence that the restart of the idled refinery units, as part of the MARPOL project, will not be treated as new units under EPA’s “reactivation policy.” First, throughout the period that the refinery units were idled, portions of the facility, including the terminal, the wastewater treatment system, and the gas turbines, have remained in continuous operation. Therefore, the stationary source was never shutdown. Second, neither LBT nor the prior owner of the facility, HOVENSA, LLC, intended for the 2011 and 2012 idling of the refinery units to be permanent as described in greater detail below.

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As you know, the purpose of EPA's reactivation policy is to ascertain whether the shutdown of a major stationary source was intended by the owner or operator to be permanent. Things like statements of intent, the length of the shutdown, the retention of permits, and the maintenance of units, etc. are factors that the agency looks to as circumstantial evidence of intent or to test the bona fides of statements that a shutdown was not intended to be permanent. Here, there is direct evidence that the shutdown of the refinery units was not intended to be permanent because both owners, HOVENSA and LBT, contractually agreed to take actions to facilitate the restart of refining operations.

First, HOVENSA entered into the Fourth Amendment to the Concession Agreement with the Government of the USVI (the "Fourth Amendment") on April 3, 2013, which acknowledged that HOVENSA idled the refinery units and maintained the necessary permits "so that the oil refinery operation could be restarted in the future" (see Tab N to January 3, 2018 submission). As shown in the attached October 2013 PowerPoint slide prepared for HOVENSA's executive committee (attached at Tab A), HOVENSA spent over \$400 million to "shutdown and mothball" the refinery units in a manner to preserve them for restart, including removing residual hydrocarbon materials from units and tanks ("sludge disposal") and preserving control rooms for key pieces of equipment like the FCCU ("other preserve power"). As described during the HOVENSA bankruptcy proceedings, the Fourth Amendment also required HOVENSA to restart the refinery or undertake a "bona fide process to locate a buyer that would operate the refinery." See Certification of Thomas E. Hill In Support of Chapter 11 Petition and First Day Motions ("Hill Certification") (see Tab D to January 3, 2018 submission, paragraph 52, page 23).

Second, LBT entered into the Operating Agreement with the USVI, agreeing to study "the prospects of a Refinery Restart" and to take "all commercially reasonable measures to facilitate such Refinery Restart" (see Tab S to January 3, 2018 submission, Section 6.4(A)). Although LBT had up to three years to conduct the evaluation, it initiated the studies within two months and began developing plans to restart the refinery within one year. There is no better evidence of LBT's intent than the Operating Agreement and the fact that LBT is seeking to restart the refinery consistent with the commitment it made under the Operating Agreement.

In addition to the contractual evidence that the owners did not intend for the idling of the refinery units to be permanent, there is substantial indirect evidence described in detail in the attached timeline (attached at Tab B) and the previously submitted list of critical refinery equipment maintained (see Tab 1 to January 26, 2018 submission). In the attached timeline, we have compiled statements, press releases, correspondence, and maintenance records demonstrating that both the owners and the Government of the Virgin Islands ("GVI") expected and intended for refining operations to resume and that the idling of the refinery units at the facility was not intended to be permanent. The owners carefully idled and then maintained the idled refining units; commented on rulemakings pertinent to the operation of the refinery; and continued to treat the facility, for all regulatory purposes, as a refinery, complying with

regulatory requirements applicable only to refineries (e.g., RMACT, NSPS subpart J, and RCRA). In addition to maintaining the permits necessary to operate the refinery units (Title V, TPDES, Terminal Facility License, Permit to Store and Generate Hazardous Waste, Underground Storage Tank Permit, etc.), the owners timely submitted all permit renewal applications, to ensure that the permits remained current.

Based on the foregoing, the attached timeline, and the supporting documents submitted on January 3, 2018 and January 29, 2018, LBT seeks EPA's concurrence that EPA's reactivation policy would not apply to the restart of the idled refinery units.

II. Independence of Restart and Renewable Diesel Projects

In addition to the MARPOL project, LBT separately is evaluating a project to produce renewable diesel fuel meeting the requirements of EPA's Renewable Fuel Standard ("RFS") and California's Low Carbon Fuel Standard ("LCFS") ("renewable diesel project"). The MARPOL and renewable diesel projects are separate and distinct projects that are technically and economically independent of one another. However, because the projects could be constructed close in time to one another, LBT seeks your concurrence that the projects would not be aggregated (i.e., considered to be a single project) for purposes of PSD preconstruction permitting.

The MARPOL project involves restarting certain existing refinery units to process crude oil, heavy fuel oil, and petroleum intermediates into refined petroleum products. The project will involve restarting a crude unit (with its vacuum tower), a reformer, two naphtha hydrotreating units, a coker, two distillate hydrotreating units, an isomerization unit, and two sulfur recovery plants. The refinery units will be configured to produce low-sulfur fuels (gasoline, diesel and fuel oil) and are scheduled to restart just before January 2020, when MARPOL Annex VI amendments and EPA implementing regulations, requiring ships domestically and worldwide to burn low-sulfur fuel oil in their engines to reduce emissions, come into effect. The economics of the MARPOL project depend on the value generated from converting petroleum crude into refined petroleum products and market advantages that may exist due to an anticipated shortfall of compliant marine fuel in 2020.

In contrast, the renewable diesel project will convert vegetable, animal, and recycle cooking oils into renewable diesel. The project involves building a feed pretreatment train, a new hydrogen unit to generate hydrogen required to convert the oils into diesel compounds, and repurposing an existing hydrotreating unit, previously used for hydrotreating of petroleum liquids, as the reactor for the conversion. The renewable diesel project will produce clean, renewable fuel meeting the requirements of the RFS and LCFS and that could be blended with transportation fuel sold in the United States to generate both Renewable Identification Numbers ("RINs") and LCFS credits. The renewable diesel may also be eligible for a federal blender's

tax credit, if the tax credit is reinstated. Therefore, the economics of the renewable diesel project depend on the value from converting vegetable, animal, and recycle cooking oils into renewable fuel, and the value of RINs, LCFS and tax credits.

Each project is distinct and does not depend on the other in terms of decision making and timing, interaction between units, the process technologies used, feedstocks involved, or products produced. The MARPOL project is fully self-contained as specific units selected are inspected, revamped, and restarted. Construction will start once the MARPOL project is sanctioned in early 2018, and the refinery units are expected to be fully operational by 4Q 2019.

Under separate cover, we provided two reports related to the technical and economic independence of the MARPOL and the renewable diesel projects. Both reports were submitted as confidential business information and therefore are not included with this submission, but the following information is non-confidential information derived from those reports. As described in the report for ArcLight Capital, a business opportunity exists at the LBT facility to produce renewable diesel, not due to any synergies with potential petroleum refining operations at the facility, but because of the existence of idled hydrotreating equipment, which can be economically reconfigured to produce renewable diesel. Others trying to enter this market would have a much higher capital investment to build a new unit and would have a longer lead time associated with its construction. There is only one reference in the ArcLight report to the MARPOL project, which indicates that "diligence is being performed to assess a restart of other various parts of the refinery," but the report does not indicate any beneficial economics for the renewable diesel project associated with the operation of the refinery. The report describes the independent economics of the renewable diesel project, the unique opportunity presented by the fact that idled hydrotreating equipment can be timely and economically reconfigured, and the availability of renewable fuel and tax credits.

The second report, prepared by a third party, confirms that the MARPOL and renewable diesel projects are not functionally or technically dependent upon each other. The report identified potential shared utilities (e.g. power and/or steam generation), but the shared utilities do not make the projects functionally or economically dependent on one another. According to the second report, the renewable diesel unit will produce fuel gas that can be used in power and/or steam generation. Therefore, power and steam can either be generated from fuel gas produced by the renewable diesel unit or from the refining operations, indicating that the renewable diesel project is not dependent on the refinery restart for utilities or any other purpose. The MARPOL and the renewable diesel projects will each rely on the existing wastewater treatment and water production facilities currently operating as part of the terminal, but will not depend on each other's operations. Accordingly, there is no material cost benefit that the renewable diesel project will receive by virtue of the MARPOL project because the utilities are already in operation as part of the ongoing terminal operations.

The renewable diesel project feasibility study is expected to be completed in 2Q 2018, and the project is expected to be sanctioned immediately following this feasibility study. The engineering and construction of the new units and refurbishment of the existing hydrotreating unit(s) will take approximately 3 years, and the project is expected to come on-line in January 2021. The decision making, engineering, construction and operations are distinctly different from the MARPOL project.

As you know, and as explained further below, LBT has applied to the Virgin Islands Department of Planning and Natural Resources ("DPNR") for a permit to install a "single point mooring" ("SPM"). The installation of the SPM is being driven by an agreement between LBT and its largest terminal customer, Unipet, to expand the existing terminal operations (crude oil storage) at the facility and is unrelated to the MARPOL or renewable diesel project. The SPM will allow ultra large bulk transfers of crude oil, but will not be used to load or unload renewable diesel or finished petroleum products, both of which are transported in much smaller vessels. While it is possible that crude oil unloaded from the SPM could be used in the refinery operations, the refinery has always operated without a SPM and the SPM is, first and foremost, dedicated to Unipet and the terminal operations. The permitting of the SPM is nearly complete and will proceed whether or not the MARPOL or the renewable diesel project moves forward.

III. Single Point Mooring

LBT submitted a permit application to add the SPM, a deeper water loading/unloading configuration, to its existing marine dock loading/unloading system. A copy of the permit application submitted to DPNR was provided to EPA on January 6, 2018. The purpose of adding the SPM is to remain competitive with other terminal operations by being able to accommodate current generation crude vessels, with drafts of up to 76 feet and requiring a minimum underwater clearance of 88 feet of water when fully loaded. Maximum water depth is currently 50 to 55 feet.

The existing marine dock loading/unloading system is comprised of ten marine docks and one dry dock. Each dock can load and unload multiple petroleum products through dedicated lines. This configuration was designed to afford maximum operational flexibility to the site for loading and unloading petroleum products. The main dock extends more than 3100 feet from the current shoreline and miles of interconnected piping serve the docks. The east jetty extends about 6000 feet from the shoreline. A diagram showing the marine loading and unloading system was provided to EPA on December 20, 2017.

The SPM will be composed of concrete coated pipe that will extend from the jetty on the seabed for approximately 5,800 feet to a Pipeline End Manifold ("PLEM"). The PLEM is connected to the buoy via flexible hose. The buoy is connected to the ship via two floating hoses to load/unload crude oil. The continental shelf on the south shore of St. Croix is steep, with the

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result that sufficiently deep water can be reached by a 1.1-mile pipeline, which is shorter than the above grade portion of the pipeline to the SPM and a fraction of the overall piping used for marine loading and unloading.

As you know, the regulated entity under the PSD program is each major stationary source, which is defined to include all "pollutant-emitting activities" belonging to the same industrial grouping, located on one or more contiguous or adjacent properties, and under common control. The loading of petroleum liquids into vessels is a pollutant-emitting activity. LBT has conservatively assumed that the loading and unloading of petroleum liquids at the existing docks and at the SPM is a single pollutant-emitting activity and that this activity is a part of the same stationary source as the terminal and refinery.

For purposes of determining PSD applicability for a project at an existing major stationary source, pursuant to 40 C.F.R. § 52.21(a)(2)(iv), the operative term is each "emissions unit" rather than each "pollutant-emitting activity." However, by definition, an emissions unit is "any part of a stationary source that emits or has the potential to emit," so the two terms are essentially equivalent.

Consistent with EPA guidance, all marine vessel loading and unloading activities at Limetree Bay have been and are being treated as a single pollutant-emitting activity and a single emissions unit. One of the tests used by EPA to define an emissions unit is to evaluate how the New Source Performance Standards ("NSPS") or the National Emission Standards for Hazardous Air Pollutants ("NESHAP") regulations define the affected facility or affected source. Treating all marine vessel loading and unloading activities at the docks as a single emissions unit is consistent with the NESHAP regulations, which defines as a single source of hazardous air pollutants ("HAPs") emissions all marine tank vessel loading operations at a site (refer to 40 C.F.R. § 63.561 definition of "marine tank vessel loading operations").

Because the pollutant-emitting activity at the SPM is the same as that at the existing docks, and the SPM is functionally an extension of the existing docks, loading at the SPM and loading at the docks are a single 'pollutant emitting activity' and a single 'emissions unit,' which meets the adjacency requirement in 40 C.F.R. § 52.21(b)(6) for pollution-emitting activities to be part of a single source. On January 29, 2018, we provided three examples in which permitting authorities have treated marine loading/unloading systems with multiple docks/berths as a single emissions unit. This is consistent with how EPA and other PSD permitting authorities have treated other pollutant-emitting activities which occur over relatively large geographic areas, such as blasting at limestone quarries and vehicle traffic on unpaved roads at steel mills, for purposes of defining what is an emissions unit.

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Based on the foregoing, LBT has concluded that the addition of the SPM would be a modification to the existing dock loading/unloading system and seeks your concurrence on this important issue for the proper permitting of the SPM.

* * *

Thank you for your consideration of LBT's requests and please let me know if you have any questions.

Very truly yours,



LeAnn Johnson Koch

cc (via electronic mail only): Colin Campbell, P.E.
Chris Colman, Esq.
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TAB A

Shut Down Cash Cost Summary (\$MM)

Line No.	Description	Dec 2011 Estimate Total (a)	2012 Actual	2013 Fcst	2014 Plan	2015 Plan	2016 ++ Plan	Current Estimate Total	Current Estimate vs Dec 2011 Variance (U) F
	(Outflow)	(A)	(B)	(C)	(D)	(E)	(F)	(G=B to F)	(H=G-A)
<u>Personnel Exit Cash Costs</u>									
1	Employees	\$ (147)	\$ (125)	\$ (19)	\$ (2)	\$ -	\$ -	\$ (146)	\$ 1
2	Contractors	(36)	(23)	-	-	-	-	(23)	13
<u>Other Shutdown Cash Costs</u>									
3	Shutdown & Mothball	(225)	(166)	(32)	(28)	(18)	(11)	(255)	(30) (b)
4	Sludge Disposal	(120)	-	(57)	(45)	(19)	-	(121)	-
5	Other Preserve (power)	(60)	(27)	(24)	(12)	-	-	(63)	(2) (c)
6	Long Term Contracts	(100)	(27)	(3)	(4)	-	-	(34)	66
7	Future Oblig (Pension, etc)	(116)	(13)	(92)	(7)	(6)	(43)	(161)	(45) (d)
8	Shutdown Cash Costs	\$ (804)	\$ (382)	\$ (227)	\$ (98)	\$ (43)	\$ (54)	\$ (804)	\$ - (e)

(a) Dec 2011 total shutdown estimate (\$ 900) = A8 (\$ 804) + estimated increase in partner support (\$ 212) + liquidate balance sheet \$ 122 - other (\$ 6)

(b) H3 unfav (\$ 30) due mostly to estimated costs for advanced waste water treatment costs in 2015 & 2016

(c) H5 unfav (\$ 2) due to 1 additional year of building preservation costs versus original estimate

(d) H7 unfav (\$ 45) due to 1) environmental costs / financial assurance (\$ 38) in Mar 2013 versus environ Dec 2011 estimate of (\$ 20) = (\$ 18)

and 2) estimated pension funding from 2013 - 2015 of (\$ 59) versus pension Dec 2011 estimate of (\$ 32) = (\$ 27)

(e) H8 current estimate is equal to Dec 2011 estimate (increases offset decreases).

TAB B

HOVENSA/LBT TIMELINE DEMONSTRATING INTENT TO RESTART

- **January 26, 2011:** HOVENSA announces plans to idle the refinery units on the west side of the facility to improve refinery economics. No statements were made indicating that the shutdown of the refinery units on the west side was intended to be permanent. *See* Tab A to January 3, 2018 submission.
- **July 26, 2011:** HOVENSA adopts Anti-Cannibalization of Process Equipment Procedure to preserve idled equipment for restart. *See* Tab 2 to January 26, 2018 submission.
- **January 18, 2012:** HOVENSA announces plans to idle the refinery units on the east side of the facility and continue terminal operations. No statements were made that the shutdown of the east side refinery units was intended to be permanent. *See* Tab B to January 3, 2018 submission.
- **January 20, 2012:** GVI sends letter to HOVENSA requesting information about the shutdown of refining operations. *See* Tab C to January 3, 2018 submission. HOVENSA responds on February 7, 2012 as noted below.
- **February 2, 2012:** HOVENSA meeting with GVI; GVI rejects HOVENSA's proposed amendments to the Concession Agreement to facilitate operations as a terminal and insists that HOVENSA "either restart and operate the refinery or conduct a sale process to sell the business to a purchaser that would engage in refinery operations." *See* September 15, 2015 Hill Certification (Paragraphs 55 and 57, pages 25 and 26), Tab D to January 3, 2018 submission.
- **February 6, 2012:** Environmental and management teams meet with EPA Region 2 regarding idling of refinery operations. HOVENSA explains plans to retain permits for refinery restart and revision of permits for terminal operations.
- **February 7, 2012:** HOVENSA responds to January 20, 2012 GVI letter indicating that HOVENSA plans to keep permits to facilitate refinery restart, is reviewing Consent Decree ("CD") for modifications that would allow a resumption of refinery operations, and is developing maintenance procedures. *See* Tab E to January 3, 2018 submission.
- **February 21, 2012:** HOVENSA announces that the shutdown of the remaining refinery units is complete. No statements are made indicating that the shutdown is intended to be permanent. *See* Tab F to January 3, 2018 submission.
- **February 22, 2012:** HOVENSA releases a chemical cleaning schedule for East Side Units and certain West Side Units that had not yet been steam cleaned, as well as a list of equipment chemically cleaned between February and April 2012. *See* Tab 3 to January 26, 2018 submission.
- **March 6, 2012:** Meeting among EPA, USDOJ, USVI Department of Planning and Natural Resources ("DPNR"), and GVI. HOVENSA indicates that it wants to retain

flexibility to restart the idled refinery units because the economic circumstances could change in 2-3 years.

- **March 23, 2012:** USDOJ sends letter to HOVENSA with follow-up questions from March 6, 2012 meeting, asking for more information about the process for idling existing units. *See* Tab G to January 3, 2018 submission. HOVENSA responds on April 19, 2012, as noted below.
- **April 19, 2012:** HOVENSA responds to USDOJ inquiry detailing its procedures for “idling a process unit” and explaining the steps taken to preserve the condition of the refinery units during shutdown with an eye towards a possible return to service. *See* Tab H to January 3, 2018 submission.
- **August 24, 2012:** HOVENSA submits comments on the proposed rule entitled “Approval and Promulgation of Air Quality Implementation Plans; United States Virgin Islands; Regional Haze Federal Implementation Plan,” regarding conditions that would apply to refinery restart, reflecting its continued interest in restart. *See* Tab I to January 3, 2018 submission.
- **August 31, 2012:** HOVENSA submits permit renewal application for TPDES permit, which includes three operating scenarios, including the scenario of operating the refinery. *See* Tab W to January 3, 2018 submission.
- **October 5, 2012:** EPA sends letter to HOVENSA indicating that the “idled” state of the refinery is not in compliance with the CD; it must permanently shut down the refining operations and surrender permits or comply with testing and other requirements of the CD. EPA offers option to negotiate a change to the CD to address the “idled” state of the refinery. *See* Tab J to January 3, 2018 submission.
- **December 3, 2012:** HOVENSA responds to EPA letter seeking a standstill of the CD requirements to avoid loss of permits that would inhibit the sale of the refinery for restart. *See* Tab K to January 3, 2018 submission.
- **January 10, 2013:** Walkthrough of Area 9 (specifically, Tank #7407) completed. *See* Tab 4 to January 26, 2018 submission.
- **January 16, 2013:** Refinery Rounds of #1 Power House and Util 2, as well as #4 Platformer completed. *See* Tabs 5 & 6 to January 26, 2018 submission. Equipment Preservation Checklist for West Refinery Areas 2 & 4, Coker, and Area 8 completed. *See* Tab 7 to January 26, 2018 submission.
- **January 24, 2013:** Refinery Rounds of East SRU Complex (3&4 SRU, 2 Beavon, 3, 4, & 5 SWS), as well as West SRU Complex (1&2 SRU, 1 Beavon, 6 SWS, 2&3 Flares, West Benzene Stripper) completed. *See* Tabs 8 & 9 to January 26, 2018 submission. Walkthrough of Area 9 (specifically, the Dry Cargo Dock, RO/RO, & Sea Water Intake) completed. *See* Tab 4 to January 26, 2018 submission.

- **January 28, 2013:** Refinery Rounds of Area 2 completed. *See* Tab 10 to January 26, 2018 submission. Equipment Preservation Checklist for West Refinery Areas 2 & 4, Coker, and Area 8 completed. *See* Tab 11 to January 26, 2018 submission.
- **January 30, 2013:** Meeting with EPA on standstill proposal in response to EPA's October 5, 2012 letter; HOVENSA indicates that standstill and retaining permits are imperative to sale and restart of refinery.
- **January 31, 2013:** Walkthrough of Area 9 (specifically, Dock # 9) completed. *See* Tab 4 to January 26, 2018 submission.
- **February 7, 2013:** Refinery Rounds of Area 1 completed. *See* Tabs 4 & 12 to January 26, 2018 submission.
- **February 14, 2013:** Walkthrough of Area 6 (specifically, API and Bundle Wash) completed. *See* Tab 4 to January 26, 2018 submission.
- **February 21, 2013:** Walkthrough of Area 9 (specifically, Tank # 6813) completed. *See* Tab 4 to January 26, 2018 submission.
- **February 28, 2013:** Terminal Action Log for Coker Dome completed. *See* Tabs 4 & 13 to January 26, 2018 submission.
- **March 7, 2013:** Walkthrough of Christiansted Equipment completed. *See* Tab 4 to January 26, 2018 submission.
- **March 9, 2013:** Walkthrough of Area 9 (specifically, Tank #7417) completed. *See* Tab 4 to January 26, 2018 submission.
- **March 15, 2013:** HOVENSA responds to EPA's January 15, 2013 letter and states that the idling process and procedures used for potential restart met industry-wide major turnaround standards. *See* Tab L to January 3, 2018 submission.
- **March 21, 2013:** Walkthrough of Area 9 (specifically, RO/RD Dock) completed. *See* Tab 4 to January 26, 2018 submission.
- **March 28, 2013:** Walkthrough of Central Maintenance completed. *See* Tab 4 to January 26, 2018 submission.
- **April 3, 2013:** Fourth Amendment to the Concession Agreement is signed, providing for a bona fide process to facilitate a sale of the refinery to facilitate restart.
- **April 4, 2013:** Walkthrough of Area 9 (specifically, Tank #7401) completed. *See* Tab 4 to January 26, 2018 submission.

- **April 11, 2013:** Walkthrough of Area 9 (specifically, the Terminal Building) completed. *See* Tab 4 to January 26, 2018 submission.
- **April 18, 2013:** Walkthrough of the Fire Station and Auto Garage completed. *See* Tab 4 to January 26, 2018 submission.
- **April 25, 2013:** Walkthrough of the HOVENSA Beach for Earth Day completed. *See* Tab 4 to January 26, 2018 submission.
- **May 2, 2013:** Walkthrough of Area 9 (specifically, the Dry Cargo Dock) completed. *See* Tab 4 to January 26, 2018 submission.
- **May 9, 2013:** Walkthrough of the SCPC completed. *See* Tab 4 to January 26, 2018 submission.
- **May 16, 2013:** Walkthrough of Area 6 (specifically, the Reverse Osmosis Units and Spheres) completed. *See* Tab 4 to January 26, 2018 submission.
- **May 23, 2013:** Walkthrough of Area 6 (specifically, the TDU) completed. *See* Tab 4 to January 26, 2018 submission.
- **May 30, 2013:** Walkthrough of Area 6 (specifically, the AWWT) completed. *See* Tab 4 to January 26, 2018 submission.
- **June 6, 2013:** Walkthrough of Area 9 (specifically, Dock #3) completed. *See* Tab 4 to January 26, 2018 submission.
- **June 13, 2013:** Walkthrough of Area 9 (specifically, Tank #7403) completed. *See* Tab 4 to January 26, 2018 submission.
- **June 20, 2013:** Walkthrough of Area 9 (specifically, the NRC and MSRC Buildings) completed. *See* Tab 4 to January 26, 2018 submission.
- **June 27, 2013:** Walkthrough of the Quality Control Lab completed. *See* Tab 4 to January 26, 2018 submission.
- **July 11, 2013:** Walkthrough of Area 7 (specifically, the East Power Utilities #2) completed. *See* Tab 4 to January 26, 2018 submission.
- **July 15, 2013:** Pressure Vessel External Inspection Checklist completed for the 7000-FCC Unit. *See* Tab 14 to January 26, 2018 submission.
- **July 18, 2013:** Walkthrough of Area 3 (specifically, Crude #5) completed. *See* Tab 4 to January 26, 2018 submission.

- **July 25, 2013:** Walkthrough of Area 1 completed. *See* Tab 4 to January 26, 2018 submission.
- **July 26, 2013:** Exception to the Anti-Cannibalization of Process Procedure granted for GT-4 and GT-5. *See* Tab 15 to January 26, 2018 submission.
- **July 29, 2013:** Centrifugal Compressor Rotor Rotation/Gearbox Inspection Checklist completed for the C7101A Wet Gas Compressor. *See* Tab 16 to January 26, 2018 submission.
- **July 31, 2013:** HOVENSA submits CD Semiannual Progress Report for period from January 1, 2013 through June 30, 2013. The report notes that the process units are “being maintained in an idled state in a manner that preserves its existing condition” in the event that the units are restarted. *See* Report at p. 12, Tab M to January 3, 2018 submission.
- **August 8, 2013:** Walkthrough of HOVENSA Warehouse completed. *See* Tab 4 to January 26, 2018 submission.
- **August 15, 2013:** Walkthrough of Area 9 (specifically, Tank #6833) completed. *See* Tab 4 to January 26, 2018 submission.
- **August 16, 2013:** Centrifugal Compressor Rotor Rotation/Gearbox Inspection Checklist completed for the C4451A unit. *See* Tab 17 to January 26, 2018 submission.
- **August 22, 2013:** Walkthrough of Scaffold Lay-down Yard completed. *See* Tab 4 to January 26, 2018 submission.
- **August 29, 2013:** Walkthrough of Area 9 (specifically, Tank #6833) completed. *See* Tab 4 to January 26, 2018 submission.
- **September 5, 2013:** Walkthrough of Area 5 (specifically, the Acid Plant) completed. *See* Tab 4 to January 26, 2018 submission.
- **September 12, 2013:** Walkthrough of Area 9 (specifically, Tank Field #60) completed. *See* Tab 4 to January 26, 2018 submission.
- **October 2013:** Presentation to HOVENSA executive committee describes \$400 million in costs incurred to idle and preserve refinery units for restart. *See* Attachment A.
- **October 1, 2013:** Centrifugal Compressor Rotor Rotation/Gearbox Inspection Checklist completed for the C8501 Wet Gas Compressor (second cycle). *See* Tab 18 to January 26, 2018 submission.
- **November 4, 2013:** Fourth Amendment to the Concession Agreement is ratified and HOVENSA is permitted to operate the terminal while it “undertake[s] a process to locate a buyer that would operate the refinery.” *See* Fourth Amendment to the Concession

Agreement, Tab N to January 3, 2018 submission, and September 15, 2015 Hill Certification at paragraph 56-57, page 25-26, Tab D to January 3, 2018 submission.

- **December 6, 2013:** Marine/Terminal Safety Leadership Walkthrough of Dock #7. *See* Tab 4 to January 26, 2018 submission.
- **December 30, 2013:** 2013 Maintenance Activity Report released. *See* Tab 20 to January 26, 2018 submission.
- **December 31, 2013:** Centrifugal Compressor Rotor Rotation/Gearbox Inspection Checklist completed for the C2301A unit. *See* Tab 21 to January 26, 2018 submission.
- **January 9, 2014:** Centrifugal Compressor Rotor Rotation/Gearbox Inspection Checklist completed for the C4901A LSG Recycle Compressor (fifth cycle). *See* Tab 22 to January 26, 2018 submission. Walkthrough of Area 9 (specifically, Tank #7418) completed. *See* Tab 23 to January 26, 2018 submission.
- **January 16, 2014:** Walkthrough of Area 9 (specifically, the Loading Rack) completed. *See* Tab 23 to January 26, 2018 submission.
- **January 23, 2014:** Walkthrough of Area 4 (specifically, the LSG Unit) completed. *See* Tab 23 to January 26, 2018 submission.
- **January 30, 2014:** Walkthrough of Area 4 (specifically, the 3 and 4 Plat formers) completed. *See* Tab 23 to January 26, 2018 submission.
- **February 6, 2014:** Walkthrough of Area 9 (specifically, Dock #9) completed. *See* Tab 23 to January 26, 2018 submission.
- **February 13, 2014:** Walkthrough of Area 9 (specifically, the Gasoline Blending Unit) completed. *See* Tab 23 to January 26, 2018 submission.
- **February 20, 2014:** Walkthrough of Area 7 (specifically, the Coker Unit) completed. *See* Tab 23 to January 26, 2018 submission.
- **February 27, 2014:** Walkthrough of Area 9 (specifically, Tank #7510) completed. *See* Tab 23 to January 26, 2018 submission.
- **March 6, 2014:** Terminal Action Log for Power and Utilities (Powerhouse 1) completed. *See* Tabs 23 & 24 to January 26, 2018 submission.
- **March 13, 2014:** Walkthrough of Area 9 (specifically, Tank Field #3 and Tanks #6812, 6813, & 6814) completed. *See* Tab 23 to January 26, 2018 submission.
- **March 20, 2014:** Terminal Action Log for the 1 & 2 SRU completed. *See* Tabs 23 & 25 to January 26, 2018 submission.

- **March 27, 2014:** Walkthrough of Area 9 (specifically, Dock #3) completed. *See* Tab 23 to January 26, 2018 submission.
- **April 3, 2014:** Walkthrough of Area 2 completed. *See* Tab 23 to January 26, 2018 submission.
- **April 10, 2014:** Walkthrough of Area 6 (specifically, AWWT and Tetra) completed. *See* Tab 23 to January 26, 2018 submission.
- **April 17, 2014:** Walkthrough of the Fire Station, Primailsa, and Total Safety completed. *See* Tab 23 to January 26, 2018 submission.
- **April 24, 2014:** Earth Day cleanup event of HOVENSA's beach. *See* Tab 23 to January 26, 2018 submission.
- **May 1, 2014:** Equipment Preservation Checklist for West Refinery Areas 2 & 4, Coker, and Area 8 completed. *See* Tab 26 to January 26, 2018 submission. Walkthrough of Area 6 (specifically, the FCC, Acid Plant, MTBE) completed. *See* Tab 23 to January 26, 2018 submission.
- **May 6, 2014:** Critical Compressor Preservation Logs completed for Reciprocating and Centrifugal Compressors. *See* Tabs 27 & 28 to January 26, 2018 submission.
- **May 8, 2014:** Walkthrough of Area 9 (specifically, the Dry Cargo Dock) completed. *See* Tab 23 to January 26, 2018 submission.
- **May 15, 2014:** Walkthrough of the NRC Compound completed. *See* Tab 23 to January 26, 2018 submission.
- **May 19, 2014:** Exception to the Anti-Cannibalization of Process Procedure granted for GT-4 and GT-5. *See* Tab 29 to January 26, 2018 submission.
- **May 22, 2014:** Terminal Action Log completed for the 3 & 4 SRU. *See* Tabs 23 & 30 to January 26, 2018 submission.
- **May 29, 2014:** Walkthrough of Area 9 (specifically, the #1 Manifold, Seven Seas, and Spheres) completed. *See* Tab 23 to January 26, 2018 submission.
- **June 5, 2014:** Walkthrough of the Old CE Warehouse/West Fab Shop. *See* Tab 23 to January 26, 2018 submission.
- **June 12, 2014:** Centrifugal Compressor Rotor Rotation/Gearbox Inspection Checklist completed for the C2301-C unit (10th cycle). *See* Tab 31 to January 26, 2018 submission. Walkthrough of the North HOVENSA Warehouse completed. *See* Tab 23 to January 26, 2018 submission.

- **June 19, 2014:** Walkthrough of Area 9 (specifically, Dock #2 Teague Bay) completed. *See* Tab 23 to January 26, 2018 submission.
- **June 26, 2014:** Walkthrough of multiple areas completed, including Tanks #6802, 6814, 7404, 7602, Tank Field #22, DK#3, TDU, Quality Control Laboratory, and Truck Rack. *See* Tab 23 to January 26, 2018 submission.
- **July 3, 2014:** Walkthrough of multiple areas completed, including Tanks #7510, 6812, 7424, 7425, and DK#5. *See* Tab 23 to January 26, 2018 submission.
- **July 10, 2014:** Walkthrough of multiple areas completed, including Tanks #6808 and 6814, and 3 Crude. *See* Tab 23 to January 26, 2018 submission.
- **July 11, 2014:** Terminal Action Log completed for 3CDU / 1 Vac. *See* Tab 32 to January 26, 2018 submission.
- **July 22, 2014:** HOVENSA submits comments on Virgin Islands Water Quality Rules revisions, stating that the rules could “imperil any industrial use of the HOVENSA site and will likely adversely affect the sales process and any potential restart of the refinery.” *See* Tab O to January 3, 2018 submission.
- **July 24, 2014:** Walkthrough of multiple areas completed, including Tanks #6808, 7605, AWWT, Truck Rack, and East Utilities. *See* Tab 23 to January 26, 2018 submission.
- **July 25, 2014:** Inspections of the OSBL Control Room completed. *See* Tab 33 to January 26, 2018 submission.
- **July 28, 2014:** Inspections of the OSBL Control Room completed. *See* Tab 34 to January 26, 2018 submission.
- **July 29, 2014:** HOVENSA submits CD Semiannual Progress Report for period from January 1, 2014 through June 30, 2014. The report notes, “HOVENSA implemented its procedures for idling all units in a safe and secure fashion,” and has been “engaged in a bona fide sales process to identify a purchaser to restart the refinery.” *See* Report at p. 5, Tab P to January 3, 2018 submission.
- **July 31, 2014:** Hurricane preparedness checklists completed. *See* Tab 23 to January 26, 2018 submission.
- **August 4, 2014:** Inspections of the OSBL Control Room and Idled Buildings completed. *See* Tab 35 to January 26, 2018 submission.
- **August 7, 2014:** Walkthrough of multiple areas completed, including Tanks # 6808 and 7404, and the Bundle Wash. *See* Tab 23 to January 26, 2018 submission.

- **August 14, 2014:** Walkthrough of multiple areas completed, including DK#8, LPS Storage area north of the Dry Cargo Dock, and the Coker Unit. *See* Tab 23 to January 26, 2018 submission.
- **August 21, 2014:** Walkthrough of multiple areas completed, including the VI Recycle Area and TDU. *See* Tab 23 to January 26, 2018 submission.
- **August 28, 2014:** Walkthrough of multiple areas completed, including Tank # 7404 and Area 1. *See* Tab 23 to January 26, 2018 submission.
- **September 4, 2014:** Walkthrough of multiple areas completed, including the Fire Station, Valve Shop, Primaisla, Central Maintenance, and Autoclave. *See* Tab 23 to January 26, 2018 submission.
- **September 11, 2014:** Walkthrough of multiple areas completed, including the #3 API & Lagoon, #7 Flare, and East NESHAPS. *See* Tab 23 to January 26, 2018 submission.
- **September 25, 2014:** Walkthrough of multiple areas completed, including the CE, Terminal Warehouse, and Pinnacle Shop. *See* Tab 23 to January 26, 2018 submission.
- **October 2, 2014:** Walkthrough of multiple areas completed, including the Gasoline Blending Unit and Tank Fields #6 and #7. *See* Tab 23 to January 26, 2018 submission.
- **October 9, 2014:** Walkthrough of multiple areas completed, including the Old CE, West Fab Shop, SS#32 and Water Tanks, and Training School. *See* Tab 23 to January 26, 2018 submission.
- **October 13, 2014:** Centrifugal Compressor Rotor Rotation/Gearbox Inspection Checklist completed for the C2301-C unit (14th cycle). *See* Tab 36 to January 26, 2018 submission.
- **October 16, 2014:** Walkthrough of multiple areas completed, including the Dry Cargo Dock, Tug Dock, and Sea Water Intake. *See* Tab 23 to January 26, 2018 submission.
- **October 23, 2014:** Walkthrough of multiple areas completed, including the Rec. Hall, Tank Field #56, and #3 Manifold. *See* Tab 23 to January 26, 2018 submission.
- **October 27, 2014:** HOVENSA submits public comments on the Petroleum Refinery Sector Risk and Technology Review and New Source Performance Standards (“RSR”) proposed rule. The RSR amendments to MACT CC and MACT UUU apply only to petroleum refineries.
- **October 30, 2014:** Walkthrough of multiple areas completed, including the Batch Plant, Marine Compound, and North Coke Dome. *See* Tab 23 to January 26, 2018 submission.

- **November 6, 2014:** Walkthrough of multiple areas completed, including the East Maintenance Building, Ice Plant, and Insulation Building. *See* Tab 23 to January 26, 2018 submission.
- **November 13, 2014:** Walkthrough of the East Power Utilities. *See* Tab 23 to January 26, 2018 submission.
- **November 20, 2014:** Walkthrough of the TDU. *See* Tab 23 to January 26, 2018 submission.
- **December 2014:** HOVENSA declares bankruptcy; scales back maintenance activities due to cash flow constraints, but continues inspection program and addresses safety concerns.
- **December 4, 2014:** Walkthrough of multiple areas completed, including the Maintenance Building, Valve Shop, and EMP Building. *See* Tab 23 to January 26, 2018 submission.
- **December 5, 2014:** Critical Compressor Preservation Log completed for Reciprocating Compressors. *See* Tab 37 to January 26, 2018 submission.
- **December 11, 2014:** Critical Compressor Preservation Log completed for Centrifugal Compressors. *See* Tab 38 to January 26, 2018 submission.
- **December 18, 2014:** Walkthrough of the Terminal Main Jetty completed. *See* Tab 23 to January 26, 2018 submission.
- **December 19, 2014:** HOVENSA submits permit renewal application for the Title V operating permit. The Title V operating permit renewal application retains all idled units. *See* Tab X to January 3, 2018 submission.
- **January 8, 2015:** Centrifugal Compressor Rotor Rotation/Gearbox Inspection Checklist completed for the C4850-C unit. *See* Tab 39 to January 26, 2018 submission; Walkthrough of HOVENSA Administrative Building completed. *See* Tab 40 to January 26, 2018 submission.
- **January 15, 2015:** Walkthrough of the Old and New Bundle Wash Areas completed. *See* Tab 40 to January 26, 2018 submission.
- **January 22, 2015:** HOVENSA files its answer to EPA complaint regarding alleged Risk Management Program (“RMP”) violations in 2010/11. Answer includes clear statement that “the shutdown was an idling of existing covered processes, not the permanent discontinuance of refining operations.” *See* Tab Q to January 3, 2018 submission. Terminal Action Log for Tank 6851, the Penex Unit, and the #1 Powerhouse completed. *See* Tabs 40 & 41 to January 26, 2018 submission.

- **January 29, 2015:** Walkthrough of the Old Warehouse and Compound Area completed. *See* Tab 40 to January 26, 2018 submission.
- **February 5, 2015:** Walkthrough of the AWWT completed. *See* Tab 40 to January 26, 2018 submission.
- **February 12, 2015:** Terminal Action Log completed for Areas 3 and 4. *See* Tabs 40 & 42 to January 26, 2018 submission.
- **February 19, 2015:** Walkthrough of the CE, Pinnacle Shop, and Terminal Warehouse completed. *See* Tab 40 to January 26, 2018 submission.
- **February 26, 2015:** Walkthrough of DK #1 Tug Boat Tour completed. *See* Tab 40 to January 26, 2018 submission.
- **March 5, 2015:** Walkthrough of the Gasoline Blender (GBU) completed. *See* Tab 40 to January 26, 2018 submission. Equipment Preservation Checklist completed for West Refinery Areas 2 and 4, Coker, and Area 8. *See* Tab 43 to January 26, 2018 submission.
- **March 6, 2015:** Walkthrough of the New Quality Control Laboratory completed. *See* Tab 40 to January 26, 2018 submission.
- **March 20, 2015:** Walkthrough of the Dry Cargo Dock completed. *See* Tab 40 to January 26, 2018 submission.
- **March 27, 2015:** Walkthrough of the Container Storage Area completed. *See* Tab 40 to January 26, 2018 submission.
- **April 3, 2015:** Walkthrough of the NRC Compound completed. *See* Tab 40 to January 26, 2018 submission.
- **April 10, 2015:** Walkthrough of the DCS, Safety/Environmental/Auto Garage/Total Safety completed. *See* Tab 40 to January 26, 2018 submission.
- **April 16, 2015:** Walkthrough of the VI Recycle Compound completed. *See* Tab 40 to January 26, 2018 submission.
- **April 22, 2015:** Earth Day cleanup event of HOVENSA's beach. *See* Tab 40 to January 26, 2018 submission.
- **May 7, 2015:** Walkthrough of the Coker completed. *See* Tab 40 to January 26, 2018 submission.
- **May 14, 2015:** Walkthrough of the Marine Compound and Tug Dock completed. *See* Tab 40 to January 26, 2018 submission.

- **May 28, 2015:** Walkthrough of the 6 Sour Water Stripper completed. *See* Tab 40 to January 26, 2018 submission.
- **June 4, 2015:** Walkthrough of the Power Utilities completed. *See* Tab 40 to January 26, 2018 submission.
- **June 11, 2015:** Walkthrough of the Refrigerated LPG Storage Unit completed. *See* Tab 40 to January 26, 2018 submission.
- **June 18, 2015:** Walkthrough of the Main Jetty completed. *See* Tab 40 to January 26, 2018 submission.
- **July 2, 2015:** Walkthrough of the Spheres Tank Field and Seven Seas Unit completed. *See* Tab 40 to January 26, 2018 submission.
- **July 9, 2015:** Walkthrough of the #3 API, Benzene Stripper, and Old Vac Truck Compound completed. *See* Tab 40 to January 26, 2018 submission.
- **July 16, 2015:** Walkthrough of the Loading Rack completed. *See* Tab 40 to January 26, 2018 submission.
- **July 21, 2015:** HOVENSA submits CD Semiannual Progress Report for period from January 1, 2015 through June 30, 2015. The report identifies idled refinery units as existing units and expressly contemplates the possibility of a restart once a sale of the refinery assets is complete. *See* Report at p. 5, Tab R to January 3, 2018 submission.
- **July 25, 2015:** Walkthrough of the Central Maintenance Building completed. *See* Tab 40 to January 26, 2018 submission.
- **July 30, 2015:** Walkthrough of the Dry Cargo Dock and RO/RO completed. *See* Tab 40 to January 26, 2018 submission.
- **August 6, 2015:** Walkthrough of the CE and Pinnacle Shop completed. *See* Tab 40 to January 26, 2018 submission.
- **August 15, 2015:** Walkthrough of the BTX Cargo Manifold and Tank Fields #20 and 20A completed. *See* Tab 40 to January 26, 2018 submission.
- **September 3, 2015:** Walkthrough of the T/A Building, Car Wash, Fuel Pump Station, and Auto Garage completed. *See* Tab 40 to January 26, 2018 submission.
- **September 10, 2015:** Walkthrough of the SCPC Office Building near the west fence line completed. *See* Tab 40 to January 26, 2018 submission.
- **September 15, 2015:** HOVENSA files for bankruptcy. Certification by Tom Hill, HOVENSA Restructuring Officer, is filed with the bankruptcy court. States that some of

the refinery operations were idled in 2011 and remaining operations in February 2012; but that in order to facilitate the sale of the refinery, “HOVENSA continues to maintain the refinery facility in an ‘idled’ state, incurring significant inspection, maintenance, and oversight expenses in order to comply with various environmental, operations, and safety regulation and related requirements” (paragraph 16, page 8). “The idling of the refinery was an extensive – and expensive – process. In undertaking this process, HOVENSA took measures to maintain the necessary permits and licenses so that the oil refinery operation could be restarted in the future.” *See* Certification of Thomas E. Hill in Support of Chapter 11 Petition and First Day Motions (“Hill Certification”), (Paragraph 52, page 23), Tab D to January 3, 2018 submission.

- **September 24, 2015:** Walkthrough of the Dock Road completed. *See* Tab 40 to January 26, 2018 submission.
- **October 1, 2015:** Walkthrough of the East and West Tank Field #59 completed. *See* Tab 40 to January 26, 2018 submission.
- **October 22, 2015:** Walkthrough of Tank Field #60 completed. *See* Tab 40 to January 26, 2018 submission.
- **November 5, 2015:** Walkthrough of the HOVENSA Warehouse, Fire Station, Drum Compound, and Total Safety completed. *See* Tab 40 to January 26, 2018 submission.
- **November 12, 2015:** Walkthrough of the HOVENSA Administrative Building completed. *See* Tab 40 to January 26, 2018 submission.
- **November 19, 2015:** Walkthrough of the East Power Utilities completed. *See* Tab 40 to January 26, 2018 submission.
- **December 1, 2015:** Bankruptcy Court approves sale to LBT. Operating Agreement is signed by GVI and LBT, committing LBT to evaluate restarting the refinery and preventing LBT from taking actions that would inhibit restart. *See* Operating Agreement, pages 31-32, Tab S to January 3, 2018 submission.
- **December 3, 2015:** Walkthrough of the Advanced Wastewater Treatment facility completed. *See* Tab 40 to January 26, 2018 submission.
- **December 10, 2015:** Walkthrough of the Quality Control Laboratory completed. *See* Tab 40 to January 26, 2018 submission.
- **December 17, 2015:** Walkthrough of the East and West Tank Field #56 completed. *See* Tab 40 to January 26, 2018 submission.
- **December 24, 2015:** Walkthrough of the Marine/Terminal Building completed. *See* Tab 40 to January 26, 2018 submission.

- **December 29, 2015:** Legislature of the Virgin Islands approves Operating Agreement with LBT.
- **January 4, 2016:** HOVENSA and LBT execute Asset Purchase Agreement and LBT shifts focus from maintaining the status quo of the equipment to resuming operations of the refinery by retaining experts and engineers to assess the status of the equipment and develop plans for restart, including repairs, revamps, reconfigurations, and operations.
- **Beginning January 2016:** LBT continues HOVENSA's inspection program.
- **January 7, 2016:** Walkthrough of the Dry Cargo Dock and Coker Dome #1 completed. *See* Tab 44 to January 26, 2018 submission.
- **January 14, 2016:** Walkthrough of the Truck Loading Rack completed. *See* Tab 44 to January 26, 2018 submission.
- **January 21, 2016:** Walkthrough of Area 3 completed. *See* Tab 44 to January 26, 2018 submission.
- **January 28, 2016:** Walkthrough of Area 5 (specifically, the FCC) completed. *See* Tabs 44 & 65 to January 26, 2018 submission.
- **February 4, 2016:** Walkthrough of Area 6 (specifically, API #1) completed. *See* Tab 44 to January 26, 2018 submission.
- **February 11, 2016:** Walkthrough of the East Refinery Maintenance Building and other buildings. *See* Tab 44 to January 26, 2018 submission.
- **February 18, 2016:** Walkthrough of Area 9 (specifically, the Spheres Tank Field) completed. *See* Tab 44 to January 26, 2018 submission.
- **February 24, 2016:** LBT retains contractor to "assess potential for restreaming all or portions of recently purchased St. Croix Refinery . . ."
- **February 25, 2016:** Walkthrough of Area 9 (specifically, Tank 7401) completed. *See* Tab 44 to January 26, 2018 submission.
- **March 3, 2016:** Walkthrough of Area 9 (specifically, the Tank Field between Tanks 7421 and 7439) completed. *See* Tab 44 to January 26, 2018 submission.
- **March 10, 2016:** Walkthrough of the East Fab Shop and Ice Plant completed. *See* Tab 44 to January 26, 2018 submission.
- **March 17, 2016:** Walkthrough of Area 9 (specifically, the pipeline east of the Terminal Building) completed. *See* Tab 44 to January 26, 2018 submission.

- **March 22, 2016:** LBT sends letter to DOJ/ EPA asking for modifications to the CD discussing the need to avoid surrender of permits to allow LBT time to study restart options. *See* Tab T to January 3, 2018 submission.
- **March 24, 2016:** Walkthrough of Area 9 (specifically, Tank Field #8, Tanks 6804 and 6806) completed. *See* Tab 44 to January 26, 2018 submission.
- **March 31, 2016:** Walkthrough of Area 9 (specifically, Tank Field #59, Tank 7510) completed. *See* Tab 44 to January 26, 2018 submission.
- **April 7, 2016:** Walkthrough of Area 9 (specifically, the Truck Rack/Loading Rack) completed. *See* Tab 44 to January 26, 2018 submission.
- **April 14, 2016:** Walkthrough of the Terminal - Dock 3 completed. *See* Tab 44 to January 26, 2018 submission.
- **April 21, 2016:** Walkthrough of the Terminal - East Jetty completed. *See* Tab 44 to January 26, 2018 submission.
- **April 27, 2016:** LBT enters Memorandum of Understanding with consultant to conduct study of refinery restart. Consultant performs preliminary evaluation of 20 refinery units, equipment, lines, instrumentation, and electrical systems, and develops scope of work for mechanical integrity inspections, unit walk-throughs, and additional units to be evaluated.
- **April 28, 2016:** Walkthrough of the Marine Compound completed. *See* Tab 44 to January 26, 2018 submission.
- **May 5, 2016:** Walkthrough of the Terminal - Dock 8 completed. *See* Tab 44 to January 26, 2018 submission.
- **May 12, 2016:** Walkthrough of Area 8 (specifically, the East Power Utilities) completed. *See* Tab 44 to January 26, 2018 submission.
- **May 19, 2016:** Walkthrough of Area 9 (specifically, Tank 7404) completed. *See* Tab 44 to January 26, 2018 submission.
- **May 26, 2016:** Walkthrough of the Valve Shop and Autoclave completed. *See* Tab 44 to January 26, 2018 submission.
- **June 9, 2016:** Walkthrough of the HOVENSA Warehouse and Drum Compound completed. *See* Tab 44 to January 26, 2018 submission.
- **June 16, 2016:** Walkthrough of the Gasoline Blending Unit completed. *See* Tab 44 to January 26, 2018 submission.

- **June 23, 2016:** Annual drill exercise completed, including activation of response teams. *See* Tab 44 to January 26, 2018 submission.
- **June 30, 2016:** Walkthrough of Area 6 (specifically, the AWWT) completed. *See* Tab 44 to January 26, 2018 submission.
- **July 7, 2016:** Walkthrough of Area 6 (specifically, the Bundle Wash and ORS) completed. *See* Tab 44 to January 26, 2018 submission.
- **July 14, 2016:** Walkthrough of Area 9 (specifically, Tank Field #56) completed. *See* Tab 44 to January 26, 2018 submission.
- **July 22, 2016:** HOVENSA submits CD Semiannual Progress Report for the period from January 1, 2016 through June 30, 2016. The report notes that “[a]s part of its operating agreement with the Virgin Islands, LBT is required to evaluate the prospects of a refinery restart and take all commercially reasonable measures to facilitate such refinery restart over an 18 to 36 month period.” *See* Report at pp. 7-8, Tab U to January 3, 2018 submission.
- **July 28, 2016:** Walkthrough of the CE, Pinnacle Shop, and Terminal Warehouse completed. *See* Tab 44 to January 26, 2018 submission.
- **August 4, 2016:** Walkthrough of the Terminal - Docks 3 and 4 completed. *See* Tab 44 to January 26, 2018 submission.
- **August 11, 2016:** Walkthrough of Area 4 (specifically, 4 Plat and 7 DD) completed. *See* Tab 44 to January 26, 2018 submission.
- **August 18, 2016:** Walkthrough of the Terminal - Dock 9 completed. *See* Tab 44 to January 26, 2018 submission.
- **August 23, 2016:** East Refinery Selected Units Restart Phase I Report completed.
- **August 25, 2016:** Walkthrough of the former HOVENSA Administrative Building completed. *See* Tab 44 to January 26, 2018 submission.
- **September 8, 2016:** Walkthrough of the Terminal - Main Jetty completed. *See* Tab 44 to January 26, 2018 submission.
- **September 15, 2016:** Walkthrough of the East Spheres and West of AWWT completed. *See* Tab 44 to January 26, 2018 submission.
- **September 22, 2016:** Walkthrough of the Terminal - Loading Rack completed. *See* Tab 44 to January 26, 2018 submission.

- **September 29, 2016:** Walkthrough of Area 9 (specifically, Tank Field 59, Tanks 7510 and 7513) completed. *See* Tab 44 to January 26, 2018 submission.
- **October 6, 2016:** Walkthrough of the Quality Control Laboratory completed. *See* Tab 44 to January 26, 2018 submission.
- **October 13, 2016:** Walkthrough of Area 6 (specifically, the #7 Flare and the Sour Water Stripper Limits) completed. *See* Tab 44 to January 26, 2018 submission.
- **October 20, 2016:** Walkthrough of Area 9 (specifically, the Gasoline Blending Unit) completed. *See* Tab 44 to January 26, 2018 submission.
- **October 24, 2016:** Walkthrough of Area 6 (specifically, the #1 API and Container Storage Area) completed. *See* Tab 44 to January 26, 2018 submission.
- **November 8, 2016:** Status update on study of equipment for refinery restart including #4 platformer/hydrobon, #7 distillate hydrotreater, and auxiliary units.
- **November 10, 2016:** Walkthrough of Terminal Docks 3 and 4 completed. *See* Tab 44 to January 26, 2018 submission.
- **November 17, 2016:** Walkthrough of the HOVENSA Warehouse and Drum Compound completed. *See* Tab 44 to January 26, 2018 submission.
- **December 1, 2016:** Engineering study of restart of the #4 platformer/hydrobon and #7 distillate hydrotreater completed.
- **December 8, 2016:** Walkthrough of the Terminal Dry Cargo Dock, RO/RO, and Sea Water Intake completed. *See* Tab 44 to January 26, 2018 submission.
- **February 28, 2017:** LBT submits an application for a minor modification of the Title V operating permit, proposing to relinquish the authority to operate twelve process heaters, three boilers, and four gas turbines for purposes of achieving NO_x reductions required by the CD. No other emissions units associated with the refining operations are identified as having been permanently shut down.
- **March 16, 2017:** Leadership Walkthrough Action Log completed for Area 9 (specifically, Tank 6813). *See* Tab 46 to January 26, 2018 submission.
- **March 20, 2017:** Engineering study of Coker Unit restart evaluation completed identifying next steps for process design and permitting for Coker Unit and related coke handling facilities.
- **July 25, 2017:** LBT submits CD semiannual progress report for period from January 1, 2017 through June 30, 2017. The report refers to a possible restart, noting that “Limetree Bay Terminals has proposed to review the corrective actions [for Hydrocarbon Flaring

Incidents] that have been proposed and provide an implementation plan, if the refinery is restarted.” *See* Report at p. 10, Tab V to January 3, 2018 submission.

- **August 2017:** Several engineering firms perform unit inspections, walk-throughs, mechanical integrity inspections, and visual inspections of equipment to develop concrete plans for restart.
- **August 30, 2017:** LBT retains RTP to develop air-permitting strategy for refinery restart.
- **September 2017 – present:** LBT cleans hurricane debris from refining process units and areas, starting with asbestos removal and removing hazards for personnel.
- **October 18, 2017:** Hot Work Permit: Surveys, Scans, and visual inspections of piping and rotating equipment - Work Permits and related entry logs and job safety analysis for Lt. Ends Treating and 5 & 6 CDU. *See* Tab 47 to January 26, 2018 submission.
- **October 19, 2017:** Hot Work Permit: Surveys, Scans, and visual inspections of piping and rotating equipment - Work Permits and related entry logs and job safety analysis for 5CDU, 3Vac, East Units, Coker and #2API. *See* Tab 48 to January 26, 2018 submission.
- **October 20, 2017:** Hot Work Permit: Surveys, Scans, and visual inspections of piping and rotating equipment - Work Permits and related entry logs and job safety analysis for 5 & 6CDU, LPG Frac. and establish survey control lines for East Side of Refinery. *See* Tab 49 to January 26, 2018 submission.
- **November 3, 2017:** Hot Work Permit: Removal of insulation, Surveys, Scans, and visual inspections of piping and rotating equipment - Work Permits and related entry logs and job safety analysis for 4DD, 2Vac, 2Vis, Naphtha Frac. 2Plat, 5DD, 1GRU, Deiso., 2DU Frac., Penex, 3CDU/1Vac, 3Vac, East LPG Treaters; #6, 7, 9 DD, 3 & 4 Plat, 2 GRU, 5CDU. *See* Tab 50 to January 26, 2018 submission.
- **November 4, 2017:** Hot Work Permit: Removal of insulation, Surveys, Scans, and visual inspections of piping and rotating equipment - Work Permits and related entry logs and job safety analysis for 5CDU, Coker, 3Vac, #3, 4, 5 SWS, 3 & 4 SRUs, #6 & 7 Amine units, 3 API, East NESHAPS, 4DD, Naphtha Frac., 2Vac, 2Vis, 2Plat, 5DD, 1GRU, Deiso. *See* Tab 51 to January 26, 2018 submission.
- **November 12, 2017:** Hot Work Permit: Internal compressor inspections and Removal of insulation and debris - Work Permits and related entry logs and job safety analysis for Coker Compressor, 3DD, Penex, 4DD, 2Vac, 2Vis. *See* Tab 52 to January 26, 2018 submission.
- **December 5, 2017:** Hot Work Permit: Removal of insulation and debris, Surveys, Scans, and visual inspections of piping and rotating equipment - Work Permits and related entry logs and job safety analysis for 3 & 4 SRUs, FCC, Tk 4726, 2 & 4 DD, Coker, #6, 7,

9DD, 3 & 4 Plat, 5 & 6 CDU, HP Treater and 2GRU. *See* Tab 53 to January 26, 2018 submission.

- **December 15, 2017:** Hot Work Permit: Removal of insulation and debris, Surveys, Scans, and visual inspections of piping and rotating equipment - Work Permits and related entry logs and job safety analysis for FCC, Coker, pipe rack from FCC Merox to East flares, 4Plat. *See* Tab 54 to January 26, 2018 submission.
- **January 18, 2018:** Interoffice Correspondence re #5 Crude Unit T-3101 Thickness Readings. *See* Tab 55 to January 26, 2018 submission.

Lyman, John (WDC)

From: Johnson Koch, LeAnn M. (WDC)
Sent: Thursday, February 1, 2018 6:39 PM
To: Filippelli.john@Epa.gov
Cc: dholakia.umesh@epa.gov; Harlow, David; Dominguez, Alexander; rhaugen@lbterminals.com; Evan Schwartz (eschwartz@arclightcapital.com); Chris Colman (chris.colman@comcast.net); Karl.Karg@lw.com; Colin Campbell (campbell@rtpenv-nc.com); Siegel, Joseph; Krallman, John; Svendsgaard, Dave; Fehrenbach, John (JFehrenb@winston.com)
Subject: Limetree Bay Terminals, LLC -- Permitting Questions
Attachments: 02.01.2018 Limetree Bay Terminals, LLC -- Permitting Questions.pdf

Mr. Filippelli:

Attached is a letter from Limetree Bay Terminals, LLC, seeking EPA's concurrence on three permitting issues related to the restart of certain idled refinery units at the company's facility in the US Virgin Islands.

We previously submitted correspondence and supporting documentation to EPA related to the restart of the refinery units on October 31, November 9 and 17, December 20 and 31, 2017, and January 3, 5, 6, and 8, 2018. All or portions of those documents were identified as containing "confidential business information" (CBI). With the exception of the following documents, LBT hereby waives its CBI claims related to those documents: (1) the two reports submitted as attachments to correspondence with EPA on December 31, 2017 and January 5, 2018; and (2) the third paragraph in the company's October 31, 2017 correspondence to Mandy Gunasekara and Alex Dominquez concerning proposed modifications to the HOVENSA Consent Decree.

With respect to the October 31, 2017 correspondence related to proposed modifications to the Consent Decree, LBT claimed and maintains that the attachment to that correspondence, was a confidential settlement communication, in furtherance of the ongoing Consent Decree negotiations between DOJ, EPA and LBT. Accordingly, LBT is not withdrawing its claim that the attachment to the October 31 correspondence remains a privileged confidential settlement communication and is not part of the public record.

Thank you for your assistance and please contact me if you have any questions.

LeAnn

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